GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4831
ANSWERED ON:28.04.2008
CLOSURE OF SUGAR MILLS
Barman Shri Ranen

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the number of sugar mills lying closed in the country during the last three years and the current year, State-wise;

(b) the number of employees rendered unemployed due to closure of the said sugar mills, State-wise;

(c) whether the Government has formulated any scheme to revive these closed sugar mills;

(d) if so, the details thereof; and

(e) if not, the steps taken to provide alternative employment or financial support to workers rendered jobless due to closure of mills?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): The number of sugar mills in the country which did not work during the last three sugar seasons and current sugar season, State-wise, is given below:
LIST OF NON WORKING SUGAR MILLS DURING 2004-05, 2005-06, 2006-07 AND 2007-08 SUGAR SEASONS.

STATE	2004-05	2005-06	2006-07	2007-08
ANDHRA PRADESH	8	5	5	5
ASSAM	3	3	3	3
BIHAR	18	19	19	19
GUJARAT	5	6	5	5
HARYANA	0	1	1	1
KARNATAKA	14	12	9	10
KERALA	2	2	2	2
MADHYA PRADESH	5	5	5	5
MAHARASHTRA	90	47	25	24
NAGALAND	1	1	1	1
ORISSA	2	3	3	2
PUDUCHERRY	1	1	0	0
PUNJAB	3	4	7	7
RAJASTHAN	2	2	2	2
TAMILNADU	4	3	3	3
UTTAR PRADESH	17	16	14	23
WEST BENGAL	1	1	1	1
TOTAL	176	131	105	113

(b): The data on the number of employees becoming unemployed due to closure of these sugar mills is not maintained by this Department.

(c) & (d): It is the responsibility of the entrepreneur concerned to take steps to restart the closed sugar mills. However, Sugar Development Fund Rules, 1983, provides that a potentially viable sick sugar undertaking can take Sugar Development Fund (SDF) loan for
(i) modernization or rehabilitation of plant and machinery and
(ii) sugarcane development. The loan from the Fund should be recommended by the Board for industrial and Financial Reconstruction (BIFR) for sugar mills in private and public sector or the Committee of Rehabilitation (CoR) which has been set up in the Department of Food and Public Distribution to consider cases of sugar mills in co-operative sector.

(e): The Government is not required to provide alternative employment or financial support to workers rendered jobless due to closure of sugar mills as the interest of workers employed in closed mills in the country including closed sugar mills is protected under the relevant laws.